

FISCAL NOTE

Requested by Legislative Council
01/03/2003

Bill/Resolution No.: SB 2161

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues		\$0	\$0	\$0	\$0	\$0
Expenditures		\$0	\$0	\$7,000	\$0	\$0
Appropriations		\$0	\$0	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Mixed fighting styles is a relatively new competition that has evolved from ultimate fighting type of competition (fight-to-the-death format with few rules) that is currently prohibited by rule in North Dakota. New Jersey and Nevada were the first states in 2001 to establish rules. Therefore, the mixed fighting style of competition is very new with few states having had experience and a track record as to the regulation of these types of events.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

It is not known what type of revenue might be generated if this bill became law or how often these events might be held. The only "mixed martial arts" events to date that have been held in North Dakota have been on Indian reservations, which, because of sovereign immunity issues, are not subject to the state's rules. We have no information as to how well those events have been attended.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Initially, the agency would need to use its general fund appropriation to provide the funding to develop the rules, procedures, and programming required for the regulation of mixed fighting styles. The agency estimates that the cost of the programming would be approximately \$4,000 and the cost to promulgate the rules, i.e., advertising, research, and staff time, would be approximately \$3,000.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

To regulate the sport of boxing, the athletic commissioner has the use of a special fund, which has a continuing appropriation. This fund usually contains only a minimum balance of available funds to cover the expenses incurred by the athletic commission.

Therefore, the agency will request a legislative “statement of intent” that the rules established for mixed fighting style competition will include a fee structure, which will adequately cover all of the expenses associated with the regulation of mixed fighting style competitions, i.e., without drawing on those revenues generated by boxing and without any additional support (besides initial setup) from the agency’s general fund appropriation.

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Agency: Secretary of State
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